

INSTRUCTIONS GOVERNING EXPENDITURE PLANS AND ALLOTMENTS
FISCAL YEAR 2006

NOTE:

Instructions for Expenditure Plans and Allotments for FY 06 contained in this document are generally similar to those issued for FY 05, except for the following:

- Item I.A.2 Narrative
- Item I.B.2 Current Restriction Column (page 2)
- Item I.B.5 Collective Bargaining (page 3)
- Item II.2 Restriction (page 4)

Each department shall submit the following:

1. A request for Allotment (Form A-19) for each appropriation account, including trust and revolving funds, authorized by House Bill (H.B.) No. 100, H.D. 1, S.D. 1, C.D. 1, Relating to the State Budget (2005 Legislature). For any program with multiple trust or revolving appropriation fund accounts, a separate Form A-19 should be prepared for each appropriation fund account.
2. An operational expenditure plan for each appropriation account requested by each Form A-19.
3. A separate narrative page indicating program objectives and activities as related to the program expenditure plan.
4. A summary of collective bargaining (CB) allocation by fund, appropriation symbol, act, and Included/Excluded. Totals should be provided by fund. (See Sample 7.)

I. Operational Expenditure Plans (OEP)

Each department shall submit an initial expenditure plan for each program for which funds have been appropriated pursuant to H.B. No. 100. The Department of Budget and Finance (B&F) shall review the expenditure plans and allotment requests shall generally be approved on the basis of such plans. Expenditure plans for specific appropriations are not required.

- A. Expenditure plan submissions shall consist of the following:

1. One copy of the expenditure plan which shows the quarterly outlay of funds for the appropriation account by personal services, other current expenses, equipment and motor vehicles. (See Sample 2.)
2. A separate narrative page indicating program objectives and activities. The initiation of any authorized new programs or the improvement of existing services shall be identified separately in the narrative.

This narrative should include data indicating what is to be done, how much is to be done, and other pertinent information relating to activities in each quarter. Utilize measures of work units wherever possible.

The narrative should support and be consistent with the operational expenditure plan. B&F may request any supplemental information which it deems necessary to properly review and evaluate departmental plans. (See Sample 5).

B. Expenditure plan format

1. **Appropriation Column** - Reflects the amounts by cost element in H.B. No. 100 and as reflected in your operating budget details.
2. **Current Restriction Column** - There are no restrictions imposed for FY 06.
3. **Net Transfers** - Should reflect the net result of any transfers in or out of the program based on an approved Form A-21 or transfers among the cost elements in the program. Use plus or minus signs to show the direction of the transfers. Do not use parentheses to indicate a transfer out.

The transfers should be reflected only in Columns 3 (net transfers) and 4 (current allocation). Do not show transfers in the appropriation column.

4. **Current Allocation** - The figures in this column should always equal your current allocation, i.e., if all of your department's OEPs were summarized, the allocation column total should equal your current departmental allocation.

Any difference between the allocation and planned expenditure program total columns is assumed to be departmental savings or deficits.

5. **Collective Bargaining** - Specific appropriations acts for salary increases for FY 06 are as follows:

- Act 94, SLH 2005 - CB for BU 1 and 10
- Act 95, SLH 2005 - CB for BU 1 and 10 - EUTF
- Act 96, SLH 2005 - CB for BU 11 and Employer-Union Trust Fund (EUTF)
- Act 97, SLH 2005 - CB for BU 9
- Act 98, SLH 2005 - CB for BU 2, 3, 4, 6, 8, and 13
- Act 99, SLH 2005 - CB for BU 2, 3, 6, 8, 9, and 13 - EUTF
- Act 100, SLH 2005 - CB for BU 5
- Act 101, SLH 2005 - CB for BU 5 - EUTF

Enter the allocations from these acts on Line 2 (CB - All) and line 5 (Other Cost Items - All), if applicable. It is not necessary to separate the CB amounts by Included and Excluded on the OEP; this breakdown by BU and by Included and Excluded must be shown on the back of the initial A-19.

6. **Financing Agreements** – Enter on Line 3 of the OEP all funds for financing agreements as defined in Executive Memorandum No. 96-17.

If the funds were budgeted (i.e., submitted in the budget request process on Tables BK), the amounts shall be entered in the Appropriations, Allocation, and in the appropriate fiscal quarter columns. (See Sample 2.)

If the funds for the financing agreement are unbudgeted (i.e., not submitted on Tables BK in the budget process), enter the amount in the Net Transfer column indicating the movement from the appropriate cost element, the Allocation column and the affected fiscal quarter columns. Do not enter the amount in the Appropriations column. (See Sample 4.) A financing agreement may be unbudgeted because 1) a financing agreement was not anticipated as the vehicle to acquire a budgeted item, or 2) an unbudgeted item is being funded through program savings and is being acquired through a financing agreement.

Regardless of the cost element of the item being acquired through the financing agreement, all amounts should be combined on Line 3 and included in the Total Appropriations lines and on Line 9. Do not include financing agreements on any other line of the OEP.

- C. Amended expenditure plans are not required with each revised allotment request unless requested by the B&F analyst assigned to your department. Only initial and fiscal year-end expenditure plans must be submitted.
- D. If you generate your own OEP, instead of using the turnaround forms, please circle the line number of each line of data that is being changed since the last submittal. A change means 1) a change to any of the amounts on the line,

2) adding in data on a line that was previously blank, or 3) deleting an entire line of data. This is needed for data entry purposes. (See attached Sample 6.)

II. Request for Allotment (Form A-19)

Requirements for the Allotment Request forms are as follows:

1. Each department shall request allotment of funds appropriated or authorized by program, by cost elements, by funds, and by quarters using Request for Allotment (Form A-19). (See Sample 1.) The breakdown by cost element must match your department's operating budget details.
2. **Restriction** – There are no restrictions imposed for FY 06.
3. **Financing Agreements** – Enter all funds for financing agreements, as defined in Executive Memorandum No. 96-17, as separate line items under Personal Services and Other Current Expenses in the Appropriation and other applicable columns.

Enter unbudgeted financing agreements in the Allocation and applicable quarterly allotment columns; do not enter them in the Appropriation column. See Items B.6 above for an explanation of budgeted and unbudgeted financing agreements.

Do not consolidate these financing agreement line items into the Personal Services or Other Current Expenses lines on subsequent amendments to the A-19.

4. Each form (A-19) should reflect a single appropriation account.
5. Each allotment form should reflect the proper appropriation act and year of authorization in the space provided. The program ID associated with each appropriation symbol must be shown on the Form A-19 in the space labeled, "Program I.D."
6. Only amounts appropriated or authorized by H.B. No. 100, or other specific appropriation acts are to be reflected in Column 2, "Appropriation."
7. Reflect transfers, including pay increase allocations, separately in Column 4 (Allocation for this Fiscal Year) and the applicable quarterly allotment columns. The pay increase amounts should be identified in Column 1 (Allotment Category Description) as "CB - All," and "Other Cost Items - All." All other transfers should be identified as "Trf . . ."
8. Trust accounts authorized by H.B. No. 100 will not be subject to reversion. An "N" should be placed in the reversion column of the Form A-19 for these accounts.

9. Upon approval of the expenditure plan, allotments shall be made for all quarters by B&F subject to a quarterly review of the availability of funds.
10. The Comptroller shall maintain control over departmental expenditures to ensure that expenditures shall not exceed the amounts allotted and shall not honor vouchers against program appropriations which have not been allotted.

Only trust and federal fund allotments may exceed authorized appropriation levels with Governor's approval. All other funds may be allotted only up to the authorized amounts in H.B. No. 100), except as otherwise provided by general law.

11. Additional fund authorization as provided in the Appropriations Act or other specific appropriation acts are to be reflected in Column 4 and the applicable quarterly allotment columns. The amounts should be identified in Column 1 as "Add'l. Auth."
12. Each type of adjustment must be shown on a separate line when submitting an amended allotment request. Do not combine them into one adjustment item.

Subsequent requests should reflect the totals for Personal Services and Other Current Expenses from the latest approved Form A-19. (See Sample 3.)

13. Initial allotment requests must be accompanied by an expenditure plan and any other supplemental information requested by B&F. All required documentation must be submitted as a unit.

Requests for amended allotments shall be submitted with written justifications on the reverse side of the Form A-19 and any other information as required by B&F. Amended operational expenditure plans are not required with amended allotment requests.

Improperly submitted A-19 forms or incomplete submissions will be returned without action. Departments should consult with the appropriate B&F analyst for further clarification of the reporting format.

14. With the exception of the University of Hawaii pursuant to Act 320/86, as amended by Acts 283/87, 370/89, 364/93, 272/94, and 281/94, all aspects of departmental allotment request shall be reviewed, evaluated and approved by the Director of Finance to ensure consistency with sound fiscal management practices.

III. Summary of Collective Bargaining Allocation

1. Please provide a breakdown of your CB allocations by program ID, by included and excluded and by means of financing. (See Sample 7.)

2. Prepare a separate table for each means of financing. You may delete columns for acts which do not apply to your department.
3. Please insert columns for Acts 95, 96, 99, and 101, SLH 2005, for EUTF appropriations, as needed for your department.
4. The appropriation symbol is the account that the CB funds should be deposited into.

Attachments: Samples 1, 1A, 2, 3, 4, 5, 6, and 7